

HOUSING PRIVATIZATION-Fact Sheet

GOAL

To provide military families access to safe, quality, affordable, well-maintained housing in a community where they will choose to live.

VISION

- Privatize 2,229 housing units.
- Privatize housing utility systems.
- Renovate 13 of the non-severable, historic housing units.
- Renovate for Security Forces substation.
- Expand and renovate Capehart Fire Station.
- Address overall housing requirements for 50 years.

PROJECT OVERVIEW

The project involves a real estate transaction to privatize most of the military family housing at Offutt AFB. The Government will lease land and convey 2,568 existing housing units and other improvements by fee ownership to the Private Developer. The Government will:

- Convey all 2,568 housing units in the Capehart and Wherry housing areas, which will include 154 housing units recently constructed in the Coffman Heights housing area.

The Developer will:

- Demolish 355 units in the Wherry housing area, and rebuild 180 within 30 months of award.
- Demolish 483 units in the Capehart housing area, and rebuild 319 within 72 months of award.
- Renovate (major) 1,359 Capehart units and renovate (minor) 371 Capehart units prior to 31 December 2010.
- Convert 13 historical housing units into 7 single-family units within 24 months of award.
- Operate and maintain conveyed utility and infrastructure systems.
- Maintain housing inventory in good state of repair for entire term, including out-year reconstruction and renovation.
- Convert Capehart duplex to Security Forces substation.
- Expand and renovate Capehart Fire Station.

The Private Developer will finance, plan, design and construct improvements, as well as own, operate and maintain the rental housing development and associated utility infrastructure systems for 50 years. The Government is willing to provide financing assistance in the form of a Direct Government Loan.

MARKET OVERVIEW

The current family housing demand at Offutt AFB is 5,488 units according to the Housing Market Analysis dated June 2000, of which 64% is satisfied by privately owned and rental units. Offutt AFB currently has 2,602 government-owned units. Thirty-two (32) of these units are not located in separate or severable areas

and are therefore not to be conveyed. Two other units will be converted into Visiting Officer's Quarters (VOQs). The remaining 2,568 housing units are located in separate or severable areas and are included in the privatization project. Almost 73% of Offutt's 8,167 assigned personnel are accompanied. Currently, enlisted personnel comprise 79% of the base's total authorized strength and officers 21%. The occupancy rate at Offutt AFB is approximately 96%.

MILITARY FAMILY HOUSING SUMMARY

Existing housing is located in residential areas on the northeast corner of the installation, and approximately one mile west of the base near the intersection of Capehart Road and 25th Street.

EXISTING INVENTORY

Capehart Housing Area	2,059
Wherry Housing Area	355
New Units in Coffman Heights (Phases I and II)	154
Total Existing Inventory	2,568
Historical Units (not conveyed)	32
Proposed VOQs	2

THE DEAL

The success of this project is based on the long-term commitment between the Government and a Private Developer.

OFFUTT AFB BRINGS

- Authority to provide a Direct Government Loan.
- 2,229 revenue-producing housing units and associated improvements.
- Existing 11,000 SF housing management and maintenance facility.

THE PRIVATE DEVELOPER BRINGS

- A complete and feasible business/financing package.
- Well-developed community plans and quality designs.
- Replacement of 499 units and renovation of 1,730 units.
- Quality property management for 50 years.

RENT STRUCTURE

- Military receive their basic allowance for housing (BAH).
- Referred military tenants pay rent equal to BAH (w/dependents) minus 110% of expected electric and natural gas charges.
- Military tenants pay rent to the Private Developer by allotment, in arrears.
- Tenants pay electric, gas, telephone and cable TV charges to Private Developer or respective providers (after meters are installed).
- Rent includes refuse collection, water and sewer.
- Tenants must be prepared to move (at Developer's expense) to accommodate construction. Per coordination with Bellevue Public Schools, moves will not require students to change schools.

DESIGN AND CONSTRUCTION REQUIREMENTS**COMMUNITY PLANNING**

- Improve integration of each housing community within the larger, surrounding community. Increase green space and improve landscaping, utilities, and recreation areas to enhance the overall environment of each neighborhood and improve quality of life.
- Landscaping of common areas and building unit perimeters that enhance the aesthetic quality of each unit and surrounding neighborhood.

UNIT DESIGN AND CONSTRUCTION

- Housing designs and construction to comply with all applicable codes, standards, and regulations, and will be appropriate to the climate and life-style of the area.
- Overall design that provides a pleasing and interesting appearance, comparable to other quality residential developments in the area.
- Designs that provide inviting entrances, pleasing interior appearances and indoor/outdoor integration.
- Features required for all units to be replaced or renovated include but are not limited to the following:
 - No stacked units (i.e., no apartment-style units).
 - No more than two units per building.
 - At least one and one-half off-street parking spaces per unit in addition to garage parking.
 - A kitchen including: New energy efficient appliances (refrigerator at least 20 cubic foot with ice maker, built-in three-level dishwasher, 4burner stove with self-cleaning oven and view window, vent hood exhausting to outside, and garbage disposal), cabinets constructed with raised solid wood panel doors and concealed hardware.
 - Bathrooms including vanity sink, water closet, recessed medicine cabinet, mirror, exhaust fan, Tub/Shower combination with surround and enclosure in full bath and shower and enclosure in ¾ bath.
 - Central heating/air conditioning/ventilating systems with humidifiers for each unit.

SECURITY

- Implementation of force protection requirements (e.g., perimeter fence, gated communities with controlled access, gate houses, enclosures for natural gas risers, and securing of storm lines).
- Site design elements (e.g., environmental, traffic, lighting, and landscaping designs) that minimize visual obstacles, eliminate places of concealment, offer the most protection against crime, and discourage undesirable traffic.
- Plans for new construction will include minimum setbacks of 100 feet from the installation perimeter to the nearest point on the building footprint.

PROPERTY MANAGEMENT REQUIREMENTS

- Professionally staffed property management office with professionally trained management and maintenance staff
- Tenant leases/eviction/dispute resolution procedures IAW federal and State law.

- Allow military families to provide in-home childcare and operate other in-home businesses, provided they obtain applicable permits.
- Allow domesticated pets on premises.
- Provide curbside refuse collection and recycling service.
- Provide all utilities and refuse collection for common areas.
- Provide for snow removal.
- Provide entomology and pest control services.
- Provide lock and key services.

PRIORITY PLACEMENT PLAN

- The Government will not guarantee occupancy, but will provide priority referrals of potential occupants.
- Military will not be mandated to occupy privatized housing.
- Priority placement for all units is required as follows:
 - Referred Military Members and Families
 - Other Active Duty Military Members
 - Federal Civil Service Employees
 - Retired Military Members and Families
 - Active Guard and Reserve Military Members and Families
 - Retired Federal Civil Service Employees
 - DOD Contractors and Permanent Employees (US Citizens)
 - General Public
- Units will be held open for referred military, unless occupancy levels fall below ninety-five percent for at least three (3) consecutive months.
- All tenants other than referred military families will pay market rent and sign a maximum 12-month lease.
- It is highly unlikely that any housing units at Offutt AFB will be made available to the general public.

HOUSING PRIVATIZATION INFORMATION SOURCES

The 55th Civil Engineering Squadron will be conducting housing privatization briefings for interested military members and their families beginning in Apr 02. Briefings will take place at scheduled "town hall" type meetings and/or Spouse Calls.

The Contracted Project Manager (CPM) is an on-site consultant tasked with supporting the base's housing privatization needs. Any questions regarding housing privatization at Offutt AFB should be directed to the CPM, Chris Wolf of Booz Allen Hamilton, at 294-1149 (e-mail christopher.wolf@offutt.af.mil). Updated information is also now posted on the website, www.offutt.af.mil, under "Business Opportunities".

TARGET MILESTONES

Issue Solicitation	Oct 02
Evaluate Proposals and Select	Dec 02 – Apr 03
Close Deal	Jun 03
Start Construction	Aug 03
Complete Construction/Renovation	Dec 10